

## Message Text

CONFIDENTIAL

PAGE 01 STATE 215838  
ORIGIN EA-12

INFO OCT-01 AF-10 ARA-10 EUR-12 NEA-10 ISO-00 EB-08  
TRSE-00 SIG-01 OMB-01 COME-00 STR-04 L-03 NSC-05  
SP-02 /079 R

DRAFTED BY EA/ROC:WALUNDY:ARCKC  
APPROVED BY EA:WHGLEYSTEN,JR.  
EA/ROC - H.J. FELDMAN  
EB - P.H. BOEKER  
EB/IFD - J.A.B. WINDER  
TREASURY - OASIA - R. FREDERICK  
EA/PRCM - G. FOX  
(PHONE)

-----024957 090648Z /14

R 090023Z SEP 77  
FM SECSTATE WASHDC  
TO AMEMBASSY ABIDJAN  
AMEMBASSY ATHENS  
AMEMBASSY BANGKOK  
AMEMBASSY BOGOTA  
AMEMBASSY BONN  
AMEMBASSY BRASILIA  
AMEMBASSY BRUSSELS  
AMEMBASSY BUENOS AIRES  
AMEMBASSY CARACAS  
AMEMBASSY DUBLIN  
AMEMBASSY JAKARTA  
AMEMBASSY JIDDA  
AMEMBASSY LISBON  
AMEMBASSY LONDON  
AMEMBASSY MADRID  
AMEMBASSY MANILA  
AMEMBASSY OTTAWA  
AMEMBASSY PARIS  
AMEMBASSY ROME  
AMEMBASSY SEOUL  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 215838

AMEMBASSY SINGAPORE  
AMEMBASSY THE HAGUE  
AMEMBASSY TOKYO  
INFO AMEMBASSY TAIPEI  
AMCONSUL HONG KONG  
USLO PEKING

CONFIDENTIAL STATE 215838

E.O. 11652:GDS

TAGS:IMF, IBRD, CH, TW

SUBJECT:CHINESE REPRESENTATION IN IMF/IBRD

1. THIS YEAR'S ANNUAL MEETINGS OF THE IMF/IBRD ARE SCHEDULED FOR THE WEEK OF SEPTEMBER 26 IN WASHINGTON. AS IN THE PAST, SHOULD THE ISSUE ARISE, WE INTEND TO SUPPORT CONTINUED REPUBLIC OF CHINA (ROC) PARTICIPATION IN THE BANK/FUND GROUP. WHILE WE WOULD WELCOME PARTICIPATION BY THE PRC, WE WOULD NOT WANT IT TO BE AT THE ROC'S EXPENSE.

2. IN THE ABSENCE OF ANY RESPONSE FROM THE PRC TO EARLIER IMF/IBRD OVERTURES RE ITS INTENTIONS ON JOINING THE BANK/FUND GROUP, WE BELIEVE U.S. INTERESTS ARE BEST SERVED BY KEEPING THE ISSUE OF CHINESE REPRESENTATION BEFORE THE EXECUTIVE DIRECTORS AND AVOIDING A FLOOR FIGHT WHICH WOULD HARM OUR RELATIONS WITH THE PRC AND RISK SERIOUS DAMAGE TO PUBLIC AND CONGRESSIONAL SUPPORT FOR THE BANK AND FUND. SHOULD AN ATTEMPT BE MADE TO BRING UP THE ISSUE ON THE FLOOR OF THE MEETINGS, WE PLAN TO FOLLOW ESSENTIALLY THE SAME STRATEGY AS IN THE PAST. IF A MOTION TO EXPEL THE ROC IS MADE:  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 215838

(1) THE CHAIRMAN, OR PROCEDURES COMMITTEE SHOULD

RULE THAT THIS MATTER IS A MOOT QUESTION SINCE IT IS STILL BEFORE THE BOARDS OF DIRECTORS IN THE ABSENCE OF RECEIPT OF ANY RESPONSE FROM THE PRC TO EARLIER IMF/IBRD REQUESTS FOR CLARIFICATION OF ITS INTENTIONS ON PARTICIPATION. THEREFORE, THE ISSUE SHOULD NOT BE DEBATED AT THE ANNUAL MEETINGS.

(2) SHOULD AN EXPULSION RESOLUTION BE PROPOSED, WE WILL SUPPORT A COUNTER RESOLUTION TO THE EFFECT THAT THE MATTER SHOULD BE LEFT IN THE HANDS OF THE EXECUTIVE DIRECTORS.

(3) IF AN EXPULSION RESOLUTION NEVERTHELESS COMES TO A VOTE, THE UNITED STATES SHOULD DECLARE ITS OPPOSITION TO THE RESOLUTION AND VOTE AGAINST IT.

3. ON SEPTEMBER 1, MARTIN WONG, ECONOMICS MINISTER AT THE ROC EMBASSY, CALLED AT THE DEPARTMENT TO REQUEST USG SUPPORT FOR CONTINUING ROC MEMBERSHIP IN THE IMF/IBRD.

WONG STATED THAT SAUDI ARABIA ONCE AGAIN HAD AGREED, IN THE EVENT THAT A RESOLUTION IS PROPOSED CHALLENGING ROC MEMBERSHIP, TO INTRODUCE A COUNTER RESOLUTION CALLING FOR THE ISSUE TO REMAIN BEFORE THE EXECUTIVE DIRECTORS. WONG SAID INSTRUCTIONS HAVE BEEN SENT TO ROC EMBASSIES IN 20 COUNTRIES WHICH STILL RECOGNIZE THE REPUBLIC OF CHINA. HE ALSO STATED THAT QUOTE INFORMAL UNQUOTE CONTACTS HAD BEEN MADE WITH THE GOVERNMENTS OF INDONESIA, SINGAPORE, AND JAPAN ASKING FOR THEIR SUPPORT. HE CLAIMED THAT SINGAPORE AND INDONESIA HAD BEEN RECEPTIVE, BUT THE JAPANESE WERE NON-COMMITAL.

4. THE ABOVE INFORMATION IS BEING TRANSMITTED TO ADDRESSEE POSTS SO THAT THEY MAY RESPOND TO ANY QUERIES  
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 215838

WHICH MAY EMANATE FROM HOST GOVERNMENTS ABOUT THE U.S. POSITION ON CHINESE REPRESENTATION AT THE 1977 IMF/IBRD MEETINGS. SHOULD SUCH AN INQUIRY BE RECEIVED, POSTS SHOULD RESPOND BY REITERATING U.S. SUPPORT FOR ROC PARTICIPATION IN THE BANK/FUND AND OUR STRONG DESIRE THAT THE CHINESE REPRESENTATION ISSUE NOT BE RAISED OR DEBATED AT THE ANNUAL MEETINGS. THEY SHOULD ASCERTAIN WHETHER HOST GOVERNMENT SUPPORTS THE STRATEGY OUTLINED IN PARA 2 ABOVE IN CASE ROC MEMBERSHIP IS CHALLENGED AT THE ANNUAL MEETINGS. PROMPT REPORTING OF HOST GOVERNMENT'S REACTION, HIGHLIGHTING ANY CHANGE IN POSITION ON THE ISSUE FROM PREVIOUS YEARS, IS ESSENTIAL.

5. AT THIS TIME, DEPARTMENT HAS NO INDICATION THAT PRC PLANS TO MAKE A MAJOR EFFORT TO UNSEAT THE ROC AT THE

ANNUAL MEETINGS OR THAT ANY THIRD COUNTRY PLANS TO INTRODUCE A RESOLUTION FROM THE FLOOR. IF WE LEARN THAT A CHALLENGE TO ROC MEMBERSHIP IS LIKELY TO BE MADE, HOWEVER, A FOLLOW-UP INSTRUCTION WILL BE SENT. VANCE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MEETINGS, BANKS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 09-Sep-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE215838  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** WALUNDY:ARCKC  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770326-1032  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770980/aaaacpon.tel  
**Line Count:** 156  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 163d9849-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 16-Nov-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1329821  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CHINESE REPRESENTATION IN IMF/IBRD  
**TAGS:** EFIN, PORG, CH, TW, IMF, IBRD  
**To:** ABIDJAN ATHENS MULTIPLE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/163d9849-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009